

April 14, 2010

ITEM NO. A3

**AUTHORIZATION TO APPROVE AMENDMENTS TO THE RELOCATION RIGHTS
CONTRACT TO MODIFY THE PROCESS FOR OFFERING REPLACEMENT
HOUSING TO RESIDENTS**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners approve an Amendment to the Relocation Rights Contract to modify and improve the process of offering replacement housing to residents in connection with the Plan for Transformation. The Central Advisory Council has reviewed and approved the proposed Amendment.

FUNDING

Not Applicable

GENERAL BACKGROUND

In October, 2001, the Board of Commissioners approved the CHA Leaseholder Housing Choice and Relocation Rights Contract (“Relocation Right Contract”) which governs the process by which CHA residents are relocated from housing units to be rehabilitated or demolished and by which such residents are offered replacement units.

In June 2008, the Board of Commissioners approved an amendment to Paragraph 4(c) of the Relocation Rights Contract which modifies the Housing Offer Process (“HOP”) system and unit offer process. The Central Advisory Council reviewed and approved the revisions. A copy of the June 11, 2008 Board Resolution is attached hereto as Exhibit A. Additional changes are needed to the Relocation Rights Contract in order for the CHA to fulfill its requirements to the Leaseholders covered by the Relocation Rights Contract.

Three changes are being implemented to the Relocation Rights Contract. First, while implementing the changes under Paragraph 4(c) of the Relocation Rights Contract, CHA still has a group of Leaseholders covered by the Relocation Rights Contract that CHA could not locate. In December 2008, the CHA implemented a massive undertaking to try locating missing Leaseholders. This project was authorized by the Board of Commissioners and performed by Globetrotters, Inc. This project consisted of a mass publication beginning July 2009 to contact Leaseholders for whom CHA did not have current contact information. Language relating to this effect and the rights of Leaseholders affected by the initiative is set forth in the revisions to the Relocation Rights Contract under Paragraph 4(c) 5.

Second, based on the CHA's commitment under the Plan for Transformation and Moving To Work Agreement, CHA is going beyond the federal and state requirements for the creation of ADA/504 accessible units. As such, language is being added to the Relocation Rights Contract under Paragraph 4(d) to allow residents needing the accessibility of ADA/504 units to have a priority to the units above other Leaseholders within their specific priority group.

A third amendment to the Relocation Rights Contract is for Leaseholder families with income that falls between 60% to 80% of the Annual Median Income (AMI). Over the course of implementing the Relocation Rights Contract, the CHA determined that Leaseholder families whose AMI was between 60% to 80% were having significant impediments to obtaining housing in newly constructed or rehabilitated units. Therefore, language was added under Paragraph 4(d) allowing such Leaseholders a preference for units in mixed-income communities that are not restricted to families above 60% AMI.

These amendments have been extensively negotiated with the representatives of the CAC as well as other resident and community advocates.

The result of these negotiations is a revision to the language of Paragraph 4(c) and Paragraph 4(d) of the Relocation Rights Contract. The revised language is attached as Exhibit B. The revised language has been submitted and approved by the Central Advisory Council. Exhibit B, as written, will replace Paragraph 4(c) and 4(d) of the Relocation Rights Contract and language previously approved in June 2008.

Accordingly, the CHA submits the Amendment to the Relocation Rights Contract to the Board of Commissioners for approval.

RESOLUTION NO. 2010-CHA-39

WHEREAS, the Board of Commissioners has review the Board Letter dated April 14, 2010, entitled “AUTHORIZATION TO APPROVE AN AMENDMENT TO THE RELOCATION RIGHTS CONTRACT TO MODIFY THE PROCESS FOR OFFERING REPLACEMENT HOUSING TO RESIDENTS”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the revision to Paragraph 4(c) and Paragraph 4(d) to the CHA Leaseholder Housing Choice and Relocation Rights Contract as negotiated between the CHA and Central Advisory Council and as review and approved by the Central Advisory Council and attached hereto as Exhibit B.

